

NATIONAL RUBBER EXHIBITION OF 1913

**ADDRESS**

DELIVERED BY

**Dr. Pedro de Toledo**

Minister of Agriculture, Industry and Commerce at the opening ceremonies of the National Rubber Exhibition

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**OCTOBER 12<sup>th</sup> — 1913**  
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The President of the Republic being his Excellency

**Marshal Hermes Rodrigues da Fonseca**



**RIO DE JANEIRO**

Typographia da Directoria do Serviço de Estatística

**1913**



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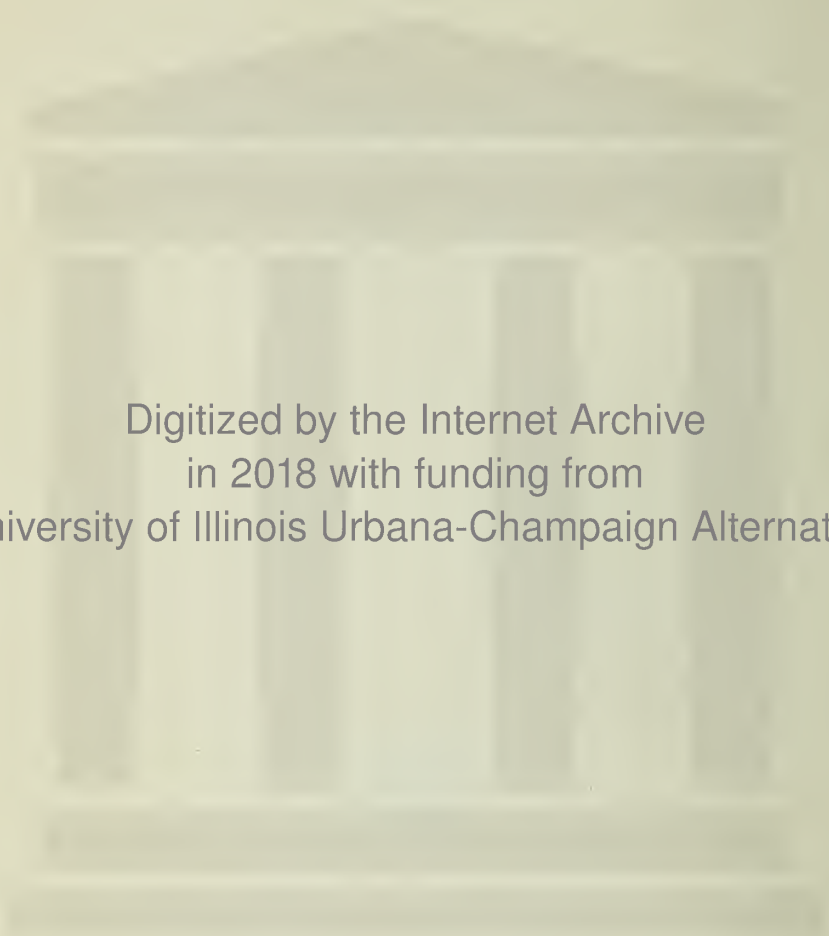
Marshal Hermes Rodrigues da Fonseca



RIO DE JANEIRO

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*Your Excellency the President of the Republic ;*

*Ladies and Gentlemen :*

The economical history of the nations teaches that no industry can rise to greatness in any country without first undergoing its stage of struggle and suffering. It is born — it grows — it declines — to rise again transfigured, again to describe a similar cycle. For such is the law of nature, to which all things render obedience in this world of eternal transmutation.

In the beautiful and fantastical wilds of the Amazon Valley, under the shade of its evergreen virgin forests, arose one day

the industry of *black gold*. The work of the rugged and dauntless denizen of the backwoods, it went on growing and thriving, at the cost, we must confess, of thousands and thousands of lives, exhausted in the harsh toil of the rubber fields, far from help of any kind, without relief, unsheltered, undefended and comfortless. Those nameless heroes, the rubber-gatherers, amid the squalid misery that wasted their bodies, went on toiling day by day, raising those piles of wealth which have gone for majestic palaces, gigantic improvements, groves and gardens, pearls and diamonds, centres of amusement and the haunts of luxury.

But the shortsightedness of the succeeding governments, dazzled by the prosperity of good times, forbade them to look into the future, whither they travelled blindfolded. The industry of the *Hevea Brasiliensis* filled the coffers of the Treasury. It afforded remuneration for all manner of men and pay for all things, and it appeared inexhaustible. The markets of

the world were controlled without competition and without contrast. The governments were the masters of the situation.

And what did the governments do in circumstances so favorable? They continued to increase the taxes on the product, thus rendering it dearer and dearer at the ports of embarkation. For the sole end they had in view was the realization of as much revenue as could possibly be obtained. And this revenue they devoted to all kinds of objects with the single exception of the industry itself.

The results of this fatal policy now rise up against us. While we stood still, gathering and preparing the precious latex of our woods by primitive methods, other governments, endowed with greater foresight than our own, went on silently importing the seeds of the Hevea, which was destined, in a brief period of time, to constitute those great forests in the East which have now entered into frank competition with our native wilds in supplying the world with our second export product.

The cries of alarm which arose here and there, invoking the attention of the governments, were lost in a desert of indifference, seldom meeting with any other response than the shrug of the shoulders so common amongst Brazilians. Compelled at length to struggle against large capital in the hands of powerful companies; against intelligent and methodical labour applied in conditions immeasurably superior to ours; against the speculation of formidable middle-men possessed of an abundance of elements of strength and power in the markets of the world—compelled to battle against all these things, we were condemned to be driven entirely from the market, did we not, even somewhat late, alter our course, organizing the protection of the industry, and modifying it in the measure of our present civilization and the requirements of the markets of consumption.

All this the Government of Marshal Hermes da Fonseca has done, through the Department at the head of which I



have the honour to be. He gave directions for the study of the rubber problem, one which, from its urgency and paramount importance, would brook no delay. And no sooner had the plan of action been formed with the most studious care, and with the advice of the most able experts, than he submitted it to a Conference of Delegates from the States, who after ample discussion, recommended it, with a few alterations of detail, to Congress, who based upon it Law n. 2.543, of January 5th. 1912.

Could the Government have acted otherwise in view of the tremendous crisis which threatened us, the forerunner of the ruin of States which, but a short time ago had been rich and prosperous, peopled by a hard-working and heroic race, the victims of their own ignorance and in many cases, of bad administrators? Could the Government stand by with folded arms, knowing it would be involved in the catastrophe, whence, perhaps, to morrow, escape would have been impossible?

The theorists of non-interference at any risk, the statesmen of the come-day-go-day policy, would have dragged us on to unavoidable suicide. It was necessary to act, not by the artificial valorization of the product, but by a gradual and systematic alteration of the economical conditions of the States whose well-being was at stake.

If we succeeded in changing these conditions by the execution of the measures contained in the Law, we had performed at once a work of economical, social and political significance; — economical, because we could produce more, while, at the same time, our product would be better and cheaper ; social, because we would carry to the martyrs of labour in those regions the benefits of education, health, comfort and happiness; political, because, through facilities of transportation and ways of communication, we would join the North and the South, strengthening the bonds of the Federation and of Republican fraternity in our country, which is certainly destined to a great future. This was our

duty, and it is our duty to-day. There is no doubt that we shall meet with difficulties, hindrance, opposition and criticism, but it is my hope that the Government will not take one backward step. We must go forward, without hesitation and without weakness. That which we have accustomed ourselves to call public opinion is, in general, opposed to new ideas, until they produce tangible results. Examples of this are not wanting. When Rodrigues Alves undertook to improve this Capital, and make of it the paradise of the world, he was compelled to overcome a multitude of obstacles and disappointments. No wonder, then, that this Government should be compelled to employ the better part of its activity in the defense of the noble cause of the Northern problem.

We do not expect to conjure this overwhelming commercial crisis in a moment, for it is not in our power to do so. Nevertheless it will be conjured, much sooner than we think, by the reactions which will be brought about within the crisis itself,

and which will become apparent in the course of its solution.

Our object, as regards the Department of Agriculture, is a different one. We propose to circumscribe the crisis, relying on time, the continuity of our action already begun, and our confidence in our destiny, as our chief elements of victory.

There is no reason for discouragement. Errors and omissions have, no doubt, occurred, but from such the most able administrators are not exempt, when they undertake the organization of new services, of the importance of these which have now come into our inexperienced hands. But errors and omissions are susceptible of correction, and the execution of the work may be modified and completed. What is required is that the ideas conceived be good, that they be useful and necessary. On this point I will assert that divergencies have been so slight that we may consider the Government plan unanimously accepted in its general outline by competent authorities at home and abroad.

In matters of this nature, however, and in regions like the Amazon Valley, miracles are not to be expected. Nevertheless, we have advanced considerably in less than a year's time, although struggling with a multitude of difficulties, some of which arise from the delays of our old, worm-eaten system of public accounts, and our old, procrastinating bureaucratic habits; some from the choice of an able technical staff, of which we are so much in need; some from our deficient ways of communication and transportation; and others from various causes, which are well known to those who have administered in this country, and which cannot be easily removed.

Considering that, as a basis of any action in the Amazon Valley, a knowledge of the medico-sanitary conditions of the regions was essential, we charged the eminent Dr. Oswaldo Cruz with this important work, which was performed under his direction and on his responsibility by Drs. Carlos Chagas, Pacheco Leão and J.

Pedroso, as is seen from their report, which will be printed and translated into several languages, for information abroad.

We have also undertaken and concluded, in their most difficult and interesting parts, the studies of the navigation of the Rio Branco, this work having been entrusted to Engineer Maurice Mollard, whose name is a sufficient guaranty for the success of the contemplated undertaking.

If, in the short time above mentioned, the Government had performed nothing but these two valuable studies in the Amazon region, that is, those of Oswaldo Cruz and Maurice Mollard, it would have done enough to justify the absence of any other endeavour. The sanitary defense of the Amazon region, and the concomitant destruction of sundry legends regarding the dangers which threaten those who go there in search of work, constitute urgent and indispensable measures for the peopling of that fair country, the extraordinary wealth of which were sufficient for the greatness of a nation.

The studies regarding the navigability of the Rio Branco, which, though filled with obstacles, is the only one open to us, constitute a tribute to the heroism of our ancestors, who, amid a multitude of dangers which exist no longer in our time, at the risk of their fortunes and of thousands of precious lives, travelled to the frontier and remained there during a long period of time, planting land-marks and building forts which ought to be at this day occupied by the defenders of our national soil and honour, but which are not; for the frontier is delivered up to the ignorance of our native Indians and backwoodsmen.

Besides other services which will be enumerated by the Superintendent of this branch of the Administration, experiment stations have been established for the study of the Hevca Brasiliensis, the Maniçoba and other cultures of the region, the necessary materials have already been ordered and received, and the laboratories will probably be put in operation this year. They will render services of great value.

Within the districts of fiscalization which have been recently organized, a great deal of very useful work is being done, such as the propaganda of the new methods of culture, preparation of the rubber and extraction of the latex, the opening of roads, the foundation of demonstration-farms, and other operations provided for in the Law.

In order to increase the production of the rubber-fields and thus effect a reduction of cost in the Amazon Valley, the Government has entered into a contract with the Port of Pará Company, by which this enterprise has engaged to organize two expeditions composed of technical men charged with teaching and propagating the Eastern methods of planting, tapping, and preparation of the product.

Another contract has been signed with Dr. Cerqueira Pinto, the inventor of a method of coagulation of the latex of gum trees without acids, for the preparation of the Brazilian rubber by the same method. This, however, does not in any way hinder



the present methods of fumigation, which are held in high esteem in the markets of the world.

We have accepted a public tender for the establishment of two refineries, one in Amazonas and the other in the State of Minas, and we hope to have several more established in a short time.

We have signed a contract with an important American firm for the establishment of a large factory of rubber articles in Rio de Janeiro. The utility of this creation is evident. It will be a new industry, an eminently national one, to arise in a short time, affording an extraordinary consumption for the raw material, which Brazil can furnish in the measure of the requirements.

We have issued a call for the construction of two hotels for immigrants, one in Amazonas and the other in Pará, both of which are to be built in accordance with the most severe rules of hygiene, as advised by Dr. Oswaldo Cruz, who possesses a profound knowledge of the sanitary requirements of those States.

The uncertainty of land-ownership in the Acre Territory has hitherto been a constant and permanent cause of riots and insurrections, the effects of which have been alike injurious to the inhabitants and to the Federal Government. In order to prevent a continuation of this state of affairs, we have organized the Land-Law now in force, which was received by the inhabitants with demonstrations of great joy.

Our Laws regarding coasting navigation were, and still are, a formidable barrier to the production and trade of the States in general, and especially of those of the North and Northwest.

Making use of a legislative authorization which had been granted us, we elaborated a project reforming these laws. The project was submitted to a commission composed of delegates from the several Departments of State interested in the matter. The study is now finished, and the respective decree will shortly be issued by the Department of Roads, with the endorsement

of the Head of that Department, and of the Ministers of Finance, Interior, Marine and Agriculture.

A great many of the legislative measures embraced in the plan of the economical defense of the North depend on agreements between the Federal Government and the Government of the States. We have entered into the first of these agreements with the Government of the State of Pará, and are endeavouring to conclude similar ones with the other States. Only in this manner can we accomplish our task—by diminishing the burdens which weigh upon the product, cheapening the cost of its production, facilitating its transportation, and offering it in the markets of consumption in such conditions as may permit it to compete with similar products of foreign origin. It is necessary, however, that the States which produce the *black gold* expect not everything of the Federal Government. They must accept their share of the sacrifices which are imposed upon us in these moments of distress, and their share must,

in all probability, be the greatest. They have made the rubber industry the basis of their revenues, which, at times reached fabulous figures, and now they find themselves in the face of a terrible dilemma: they will either reduce the burdens on the product to the lowest possible figure, which resource cannot fail to cause a profound alteration in their budgets, or they will not reduce them, in which case they will suffer a much greater loss, which will extend through a long period of years. For exportation will cease, or be turned aside from its regular channels by smugglers, which is happening even now on a large scale. Between the two horns of this dilemma, they have only to choose the first, for the second signifies the death of the industry, the starvation of thousands of Brazilians, the depopulation of the fair Amazonian region, the most terrible of national crisis.

This unity of views of the State and Federal powers is imposed, therefore, if not by other sentiments, by the instinct

of self-preservation. It is madness to think otherwise. Hesitation is criminal. We have before us the brutality of facts. No sophisms are possible. The crisis of Amazonia is the crisis of our second product of exportation. It is the unbalancing of our revenues, and it affects the States as well as the Nation.

The work which has been begun must not be stopped, but rather developed and strengthened with new measures of urgent necessity.

The Federal Congress is here to act. The true patriots will be at their post, firm in the defense of a patrimony, not of the North alone, but of the whole country, and one which threatens to disappear in the vortex of a crisis which is not yet beyond the reach of a remedy.

This has been the constant preoccupation of Marshal Hermes da Fonseca, and ours.

In the solution of this problem we have met with the decided support of disinterested men, of the press and the people in

general, the help and collaboration of many whom the limits of our time will not permit me to mention, and particularly the intelligent endeavour, the devotion and experience of the able engineer Dr. Raymundo Pereira da Silva, Superintendent of all the service of this division of the Department of Agriculture.

A little more labour, and to-morrow the victory will be ours. Indeed this exhibition which we formally open to-night, the aspect of which charms us as expressing the good taste, practical sense and intuition of the artist who presided over its arrangement, Admiral José Carlos de Carvalho, and the efforts and devotion of his few helpers in this palace, serves to demonstrate the feverish activity with which the rubber gatherers are replacing the old methods of preparing the product by modern and improved processes, in as much as, within less than two years, we feel no fear in confronting our products with the most improved ones of the East.

It demonstrates, furthermore, that private enterprise has seconded, with excellent results, the protecting action of the public powers.

Finally it demonstrates that our backwoodsmen have awaked from the long sleep that enthralled them, and have risen, armed with the modern implements of labour, ready for the fight on whatever field our competitors may choose to place it.

This exhibition is an object lesson, and an enquiry opened as to the past, present and future of the industry which it represents.

It will enable us to discover new passages and to measure our own strength.

We might, even now, draw conclusions, but we prefer not to anticipate. Let them be drawn first by interested and technical men, after a minute and careful examination.

As to us, in this moment of intense pleasure, it only remains for us, in conclu-

sion, to invoke the patriotism of all those who are interested in the vast problem, in order that, strong in the union and solidarity of their intentions, they may find its ultimate solution, as they advance without fear or doubt to the wished for goal of our economical regeneration.

*Pedro de Toledo.*

Rio, October 12th., 1913.











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